

INTELLOFAX 4

**CONFIDENTIAL**

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**SUBJECT** Production at Matzen Oil Wells; Purchases and Sales of Soviet Oil Administration (TWT)

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**SUPPLEMENT TO  
REPORT NO.**

Dr. Kurt FRIEDL, Chief Austrian geologist in the SMV Headquarters Office, has advised SMV officials that the Hohenruppersdorf field is part of the Matzen geological formation and should, therefore, be included within the Matzen complex. Although the Soviets allegedly intend to release Hohenruppersdorf to the Austrian Government when an Austrian State Treaty is concluded, Austrian oil men now fear the Soviets may try to retain control of this field.

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2. Production of Matzen Well No. 3 has increased to 160 tons of oil per day.\* Well No. 8, a new well at Matzen, produced 180 tons per day until recently, when production stopped because the well's casing head was torn off when its derrick was removed. SNV Headquarters officials are allegedly seriously disturbed about this damage to Well No. 8.
3. On 13 September 1949, a new well at Matzen was shot at a depth of 600 meters, but only gas was obtained. Drilling was carried to a depth of 1,400 meters; and the gas pressure was 140 atmospheres. This well has been capped, and drilling will be resumed.

### Transfer and Sale of SUV Equipment

Seventy pieces of 34 mm x 60 mm x 5 m compressor pipe have been transferred from the Korneuburg refinery to the SMV Lobau warehouse and six additional coils of tank sheeting (Tankblech) from the Lobau warehouse to the SMV General Warehouse, Neusiedl. During the month of August 1949, sale of machinery and materials from the SMV Central Warehouse, Neusiedl, brought the SMV a profit of 14,720,500.90 schillings.

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CENTRAL INTELLIGENCE AGENCY

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5. The SMV is selling machinery and equipment dismantled from ITAG to other SMV installations for the original book value, rather than the current market value. Source cites the following examples: an oil well derrick now worth an estimated 18,000 schillings is being sold for 1,500 schillings; a "Duelfel" pump, valued at 90,000 schillings for 10,000 schillings; and a storage tank, capacity 30 cubic meters, valued at 4,000 schillings for 350 schillings.\*\*\*

Import Shipments received at the SMV Central Warehouse

6. Between 13 and 19 September 1949, seven carloads containing 2,580 sacks of barite, weighing a total of 131,560 kilograms, shipped from the Salba Company, Lecco, Italy, and 10 carloads of iron pipes, weighing 170,340 kilograms, shipped from Taganrog and Thrompik, USSR, arrived at the Dobermannsdorf railroad station enroute to the SMV Central Warehouse, Neusiedl.
7. From 6 to 19 September 1949, the SMV Purchasing Office made cash payments for the following purchases:

<u>Firm</u>	<u>Item Purchased</u>	<u>Payment in Schillings</u>
Wiener Kabel- und Metallwerke A.G.	Cable	630.00
Zuschweschtrans	Transport charges	29,595.15
Mannesmann-Trauzl A.G.	Pistons (Kolben)	19,886.10
USIA, Central Commercial Bureau	Sheet metal	2,415.00
Siemens-Schuckert A.G.	One 57-KW Motor	4,662.00
USIA	Gas pipe	549.71
Hendloff-Vanag	Conical nozzles (Kegeldüsen)	24,050.00
Viktoria zu Berlin, Allgemeine Versicherungs A.G.	Rent	2,028.26
Friedrich Wiebe, Vienna XI	Manometer	197.75
Aqua-Werke A.G.	Oxygen	30,787.16
Kontanwerke Brixlegg G.m.b.H.	Barite	15,213.40
Transportunternehmung, Rook ***	Transport charges	1,377.90
"Standard" Ges. für Techn. Artikel	Beltting (Keilriemen)	2,865.20
K. J. Baldauf Co.	Building material	19,401.00
Kartonagefabrik Franz Müller	Pasteboard boxes	329.00
Guido Rütgers, Wien-Gerasdorf	Light poles	5,757.05
Central Druckerei, Ronner & Co.	Delivery forms	175.00
Gebauder Weiss, Vienna IV	Transport charges	817.00
S.B.Os. Bauabteilung II/20. Gebäudeverw. II	Contract charges	1,523.23
Holzbauwerk Franz Havlicek	Lumber	39,211.20
Kellner & Kunz	Winches (Südbahnwinden) and nails	1,722.50

Allocation of Sulfuric Acid

8. During September 1949, Donau-Chemie, Liesing, delivered the following amounts of sulfuric acid to SMV refineries: 15 tons of fuming sulfuric acid (Oleum) and 30 tons of sulfuric acid to the Shell refinery in Floridsdorf; 15 tons of fuming sulfuric acid and 30 tons of sulfuric acid to the Kledering refinery; 75 tons of sulfuric acid to the Nova-Schwechat refinery; 60 tons to the Voessendorf refinery; 15 tons to Moosbierbaum; and 15 tons to the "Okeros" refinery.\*\*\*\*\*

Austrian Communist Party Election Campaign

9. During his recent negotiations with KASURA, Director of the SMV Purchasing Office, for the loan of a Steyr 370 truck to be used by the KPOe during the last week of its election campaign, DIWALD, KPOe Sektionsleiter, stated that Teudloff-Vamag, Waagner-Biro A.G., Hofherr-Schranitz G.m.b.H., and Siemens & Halske G.m.b.H., will also loan one or two trucks to the Austrian Communist Party during this same week.\*\*\*\*\*

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